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ANNUAL REPORT



CONTAINER CORPORATION OF AMERICA

CHICAGO, ILLINOIS

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FISCAL YEAR ENDED DECEMBER THIRTY-FIRST

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MAKING PAPERBOARD



ANNUAL REPORT

MARCH 4, 1955



A GLANCE AT THE LAST FIVE YEARS

	1954	1953	1952	1951	1950
Sales.....	\$186,595,052	\$187,552,652	\$178,408,152	\$212,562,019	\$154,841,198
Tons shipped .....	812,583	853,139	833,536	914,861	863,888
Earnings per common share ..	\$13,604,232 \$5.31	\$10,127,948 \$3.94*	\$10,282,948 \$4.01*	\$12,065,997 \$4.73*	\$12,016,626 \$4.70*
Dividends paid and declared .....	\$6,569,098	\$5,806,407	\$5,813,447	\$5,813,657	\$5,838,327
per cent of earnings.	48%	57%	57%	48%	49%
preferred (per share)	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
common (per share).	\$2.50*	\$2.20*	\$2.20*	\$2.20*	\$2.20*
Earnings retained for requirements of the business .....	\$7,035,134	\$4,321,541	\$4,469,501	\$6,252,340	\$6,178,299
Depreciation .....	\$4,109,753	\$3,930,557	\$3,668,041	\$3,543,809	\$3,045,298
Factory and paper mill additions and improvements.....	\$8,713,319	\$3,947,614	\$5,475,585	\$6,984,301	\$6,430,681
Working capital (current assets less current liabilities) . .	\$24,560,201	\$27,860,806	\$28,848,239	\$24,643,414	\$22,594,037
Taxes (Federal, state, and local).....	\$18,329,045	\$20,764,350	\$22,742,572	\$27,868,542	\$12,828,886
per common share ..	\$7.34	\$8.38*	\$9.18*	\$11.26*	\$5.18*
Hourly wages paid . .	\$38,838,204	\$38,138,310	\$34,379,418	\$35,335,515	\$31,026,068
Shareholders' investment.....	\$89,382,206	\$81,740,230	\$77,719,229	\$73,553,898	\$67,605,242
Shareholders' invest- ment per employee .	\$7,275	\$7,052	\$6,498	\$6,241	\$5,416

\*Adjusted for 25% stock dividend in 1954.

CONTAINER CORPORATION OF AMERICA  
AND SUBSIDIARY COMPANIES  
CHICAGO, ILLINOIS, MARCH 4, 1955

TO THE SHAREHOLDERS AND EMPLOYEES

The Annual Report of Container Corporation of America and subsidiaries consolidated for the year ended December 31, 1954 is herewith submitted, consisting of this letter to shareholders and employees, the Auditors' Certificate, Balance Sheet, and statements of Income and Earnings Retained for Requirements of the Business (earned surplus) etc.

A GLANCE AT THE LAST FIVE YEARS on the opposite page presents a concise summary of pertinent information.

FINANCIAL REVIEW

EARNINGS. Consolidated net earnings last year were \$13,604,232 compared with \$10,127,948 for 1953. These are after all charges, including provisions for depreciation and for Federal, state, and local taxes. After provision for preferred dividends, the net earnings were \$5.31 on each of 2,495,785 outstanding shares of common stock, compared with the equivalent of \$3.94 for the year 1953. The percentage return on invested capital was 16.6% compared with 13% for 1953.

These earnings are the highest in your Company's history. The 34.3% increase over the previous year reflected the elimination of Excess Profits taxes. Particularly during the second half of the year, the impact of higher wages was felt; also a number of sales-

men were added, thereby increasing selling expense; and finally, moving costs and starting-up expenses in newly established properties entailed losses which gradually will be replaced by profits as the new operations with some less experienced personnel are more completely assimilated. Price competition became increasingly keen in certain divisions of your Company's business, with a resultant lowering of profit margins. The better volume presaged for 1955, of which there is already some confirmation, could correct this presently unsatisfactory condition. However, first quarter earnings of 1955 will doubtlessly reflect some of the above mentioned higher costs and lower selling prices with ensuing substantially lower profit margins than in the first quarter of 1954.

Federal income taxes at the rate of 52% were \$15,400,000 compared with \$18,045,000 or 64.1%, including Excess Profits tax for 1953.

Quarterly earnings per share of outstanding common stock were:

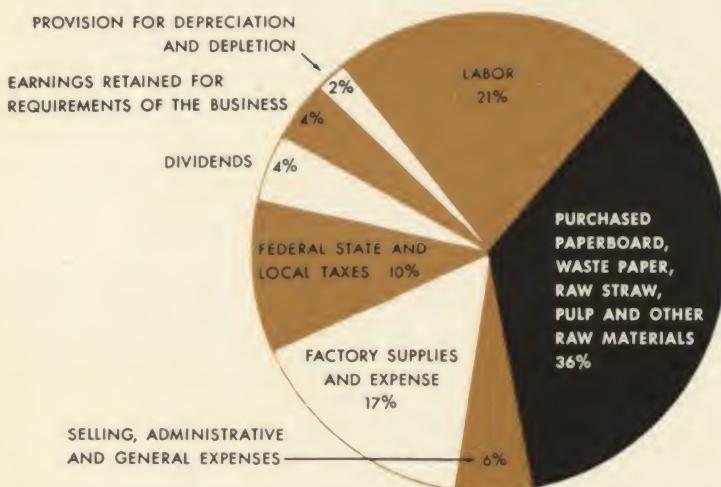
1st Quarter.....	\$1.67
2nd Quarter.....	1.51
3rd Quarter.....	1.13
4th Quarter.....	1.00
	<u>\$5.31</u>

The following dividends were paid in 1954:

Preferred Stock	Common Stock
March 1..... \$1.00	February 20..... \$.50
June 1..... 1.00	May 27..... 25% stock dividend
September 1..... 1.00	May 27..... .60
December 1..... 1.00	August 20..... .75
	November 20..... .75

A three year summary of operating results is tabulated below:

	1954	1953	1952
Sales.....	\$186,595,052	\$187,552,652	\$178,408,152
Earnings before Federal taxes on income.....	\$ 29,004,232	\$ 28,172,948	\$ 30,382,948
Provision for Federal income and excess profits taxes.....	15,400,000	18,045,000	20,100,000
Net earnings for the year.....	\$ 13,604,232	\$ 10,127,948	\$ 10,282,948



Administrative expense in 1954 was \$404,072 less than in the previous year. Provision for depreciation amounted to \$4,066,605 computed at the same rates as in previous years. The provision for depreciation was higher than in 1953 because of the completion of additional capital expenditures and acquisitions. Timber depletion was \$43,148. Most of your Company's pulpwood requirements were purchased from a great number of small suppliers, thus permitting the Corporation to conserve its own timberlands for further growth and future use.

Repair and maintenance charges amounted to \$10,106,010; this figure, while substantially lower than in some previous years, was a little higher than in 1953, reflecting increased costs of labor and materials and a greater number of manufacturing properties.

The diagram and the following tabulation analyze the disposition of your Company's sales dollars:

	1954	1953		
	\$186,595,052	100%	\$187,552,652	100%
Sales.....				
Purchased paperboard, waste paper, raw straw, pulp and other raw materials.....	\$ 67,679,377	36%	\$ 73,065,519	39%
Labor.....	38,838,204	21	38,138,310	21
Factory supplies and expense.....	32,431,188	17	30,270,589	16
Provision for depreciation and depletion.....	4,109,753	2	3,930,557	2
Selling, administrative, and general expenses.....	11,603,253	6	11,255,379	6
Federal, state, and local taxes.....	18,329,045	10	20,764,350	11
Dividends.....	6,569,098	4	5,806,407	3
Earnings retained for requirements of the business.....	7,035,134	4	4,321,541	2



Property at Fernandina, Florida, showing the addition of the new shipping container factory to the pulp and paper mill.

The substantial decrease in working capital of \$3,300,605 is more than accounted for by various investments and acquisitions, primary among which was the purchase of a controlling interest in The Mengel Company. This and other smaller investments are covered on page 8 of this report.

The cash used for these investments was derived from the sale of U. S. Government securities. Accounts and notes receivable were a little higher than at the end of the previous year because December business was somewhat larger than December 1953. However, there also occurred a small slowing-up of payments during the year; even then the receivables represent considerably less than a month's business—eighteen days' to be exact. Inventories were higher for two reasons: (1) because of a general policy of carrying larger inventories at some of the plants, and (2) because four new properties were added—the assets of Traver Corporation acquired toward the middle of the year, and three newly built converting plants at Fernandina, Florida, Santa Clara, California, and Malt Avenue, Los Angeles. Three investments in Venezuela were made as hereinafter described. Capital expenditures for the year aggregated \$8,713,319.

Again sufficient U. S. Treasury notes have been purchased to offset the entire provision for Federal income taxes in the amount of \$16,935,190.

**CAPITALIZATION.** Outstanding common stock was increased from 1,980,948 shares to 2,495,785 shares. On May 27, a 25% stock dividend amounting to 495,237 shares was distributed to shareholders as of May 3. This stock dividend increased paid-in surplus by \$13,866,636 and reduced earned surplus by \$18,819,006. As reported in July, 19,600 shares were issued to acquire the properties of the Traver Corporation.

Recently 3,000 shares of the preferred stock were called for redemption for 1954 sinking fund requirements in compliance with the provisions of the charter amendment under which the preferred stock was issued. There are in the Treasury 578 shares which are available for future sinking fund requirements.

**EARNINGS RETAINED FOR REQUIREMENTS OF THE BUSINESS (EARNED SURPLUS).** The net profit for the year of \$13,604,232 was credited to this account. A total of \$6,569,098 of preferred and common share dividends was deducted, and the difference of \$7,035,134 remained as an addition to earned surplus for the year. However, the net change in earned surplus was a reduction of \$11,783,872 due to the treatment of the stock dividend referred to above.

**SHAREHOLDERS.** As of December 31, 1954 there were 11,510 individual shareholders, exclusive of brokers, institutions, and corporations or individuals represented by them. These individual shareholders owned an average of 135 shares each. The largest

An application of funds statement follows:

Funds were provided from the following sources:

Earnings for the year.....	\$13,604,232
Expense items which did not require cash expenditures—	
Provision for depreciation (includes depletion of \$43,148).....	4,109,753
Decrease in funds set aside for improvements.....	4,196,444
Common stock issued for Traver assets.....	909,440
Total funds provided.....	\$22,819,869

Funds were expended or segregated for the following:

Dividends—

4% Cumulative preferred stock.....	\$ 349,235
Common stock.....	6,219,863

Plant and equipment—

Additions and improvements.....	\$8,713,319
Acquisitions.....	687,902
Less net book value of sales and retirements.....	117,163

Increase in investments and advances—

The Mengel Company.....	\$8,527,948
Foreign subsidiary.....	650,000
Other.....	45,884

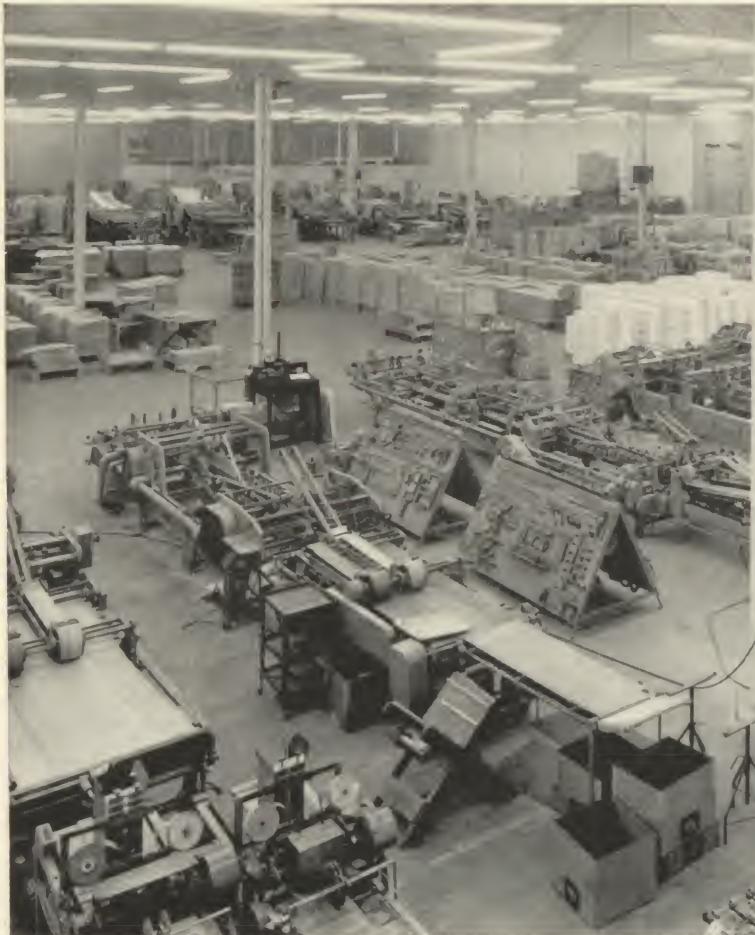
Increase in preferred stock sinking fund.....	302,598
Increase in deferred charges.....	740,888

Resulting in a decrease in working capital of.....

\$ 3,300,605

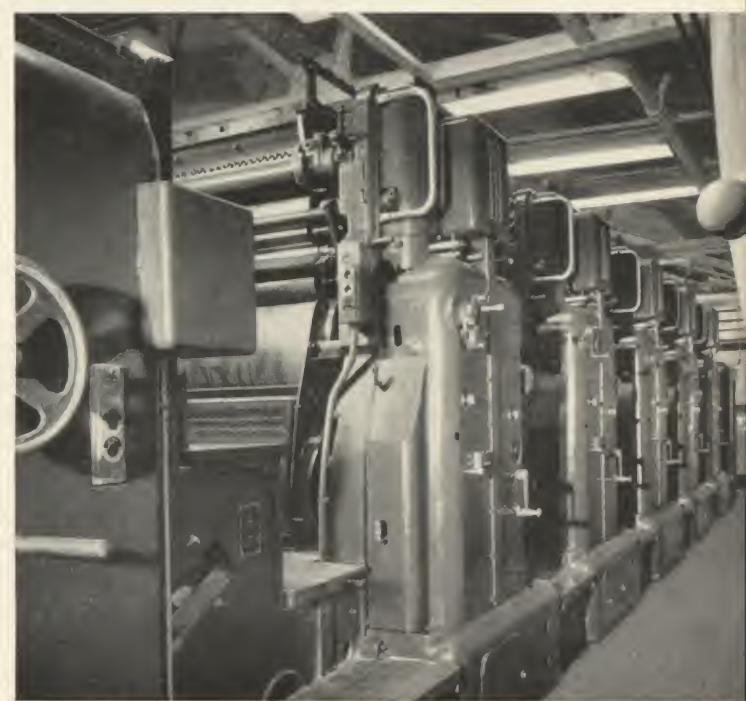
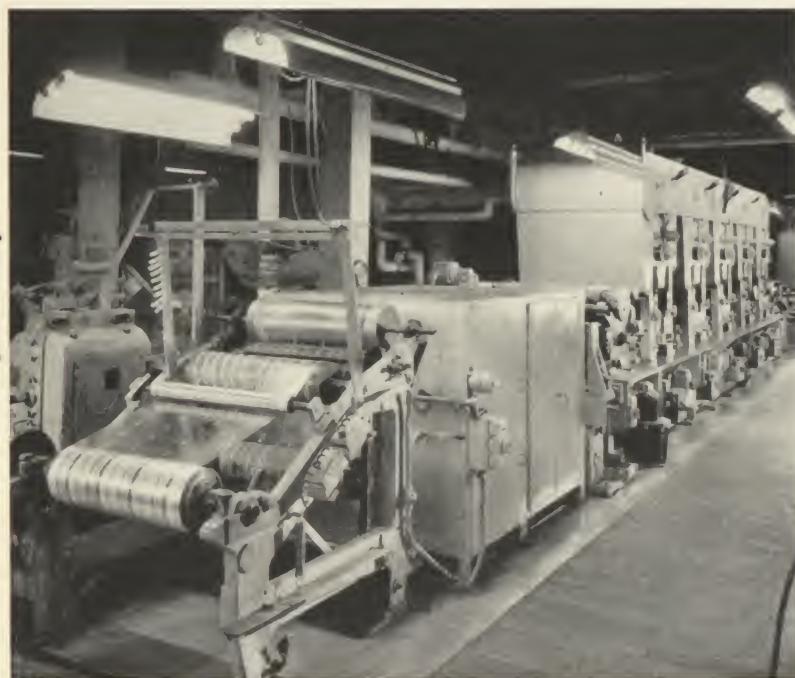
WORKING CAPITAL. The tabulation below sets forth the changes in working capital:

	December 31		Increase or Decrease
	1954	1953	
<b>CURRENT ASSETS:</b>			
Cash.....	\$ 9,028,557	\$ 6,977,535	\$ 2,051,022
U. S. Government securities.....	1,750,099	8,818,478	7,068,379
Accounts receivable.....	8,941,532	7,503,418	1,438,114
Inventories.....	13,790,287	10,261,548	3,528,739
Total current assets.....	\$33,510,475	\$33,560,979	\$ 50,504
<b>CURRENT LIABILITIES:</b>			
Accounts payable.....	\$ 2,389,886	\$ 1,350,227	\$ 1,039,659
Accrued wages, etc.....	4,705,297	2,676,101	2,029,196
Accrued taxes.....	1,217,336	1,210,620	6,716
Provision for Federal taxes on income.....	*	*	—
Dividends payable.....	87,422	88,690	1,268
Sinking fund payments due within a year.....	550,333	374,535	175,798
Total current liabilities.....	\$ 8,950,274	\$ 5,700,173	\$ 3,250,101
Net working capital .....	\$24,560,201	\$27,860,806	\$ 3,300,605
Current ratio.....	3.74 to 1	5.89 to 1	
*Provision for Federal taxes on income.....	\$16,935,190	\$21,086,718	
Less U. S. Treasury Notes.....	16,935,190	21,086,718	



Above, an interior view of the folding carton factory at Santa Clara, California, in production during the latter half of 1954.

Left, rotogravure press for the printing of flexible packages at the Traver Flexible Packaging Division plant in Chicago. Below, the new offset press at the folding carton factory, Thirty-fifth Street, Chicago.



individual or corporate shareholder owned 3% of the Company's outstanding common shares. Approximately half of the common shares were owned by holders of 500 shares or less. Again your Company's common stock was represented by shareholders resident in every one of the 48 states and in 17 foreign countries.

## OPERATIONS

**CAPITAL EXPENDITURES.** A total of \$8,713,319 was expended for capital improvements and additions. This is substantially more than in the previous year. Among the principal capital expenditures were the following:

A new corrugated shipping container factory at Fernandina, Florida was completed in August; it is generally considered one of the most efficient and well laid-out converting operations in the industry, but having just recently been brought into operation, it is not running at full capacity as yet.

A new folding carton factory at Santa Clara, California was completed and has been operating since September; the folding carton machinery and business of the Oakland, California plant were transferred to Santa Clara. This permitted an increase in capacity for the corrugated container manufacture remaining at Oakland and for the folding carton operation at Santa Clara. The folding carton machinery and business of the Portland, Oregon plant were moved to Seattle. This entailed some moving expenses and interruption of operations but should result in the future in a more concentrated and more efficient operation.

A new corrugated container factory at Malt Avenue, Los Angeles was just finished in December; part of its equipment and business was transferred from the Boyle Avenue plant, Los Angeles, and some from the 57th Street container factory, Los Angeles. As a result, Boyle Avenue will retain only its folding carton business, for which it will now have increased floor space for its operations and for the installation of additional presses and other equipment.

The reasonably new and very excellent paper-

board mill at 57th Street in Los Angeles has completed the installation of clay coating equipment; this is now in operation and provides the highest quality of clay coated board for sale in the form of board and for manufacture into folding cartons for those customers requiring this particular high grade product.

A considerable amount of new, modern, high-speed fabricating equipment was installed at various shipping container, folding carton, and fibre can operations. Herein included were printer-slotters, gluing machines, multi-color presses, and a wide variety of ancillary equipment.

**INVESTMENTS.** Not included under capital expenditures were several substantial investments.

The first and by far the largest of these was the acquisition by purchase of 342,430 common shares of The Mengel Company; this constitutes a majority of the 666,541 shares of common stock outstanding if all preferred stock were converted. The total cost of these shares as shown on the balance sheet was \$8,527,948. The Mengel Company operates five shipping container factories in Louisville, Kentucky, New Brunswick, New Jersey, Fulton, New York, Winston Salem, North Carolina, and Nashville, Tennessee; these locations complement the distributing facilities of Container Corporation which has no operations in these particular areas. This company is nationally and favorably known for its high quality and service. It is a large consumer and converter of paperboard products such as are produced by various of the paper mills of your Company. About 60% of its business consists of the conversion and sale of forest products into flush doors, furniture, and cabinets. It also controls some 88,000 acres of timberlands in Georgia and adjoining states within 150 miles of Container Corporation's Fernandina kraft container-board mill. The Mengel Company's earnings in 1954 will be off somewhat from the previous year; they are estimated at about \$1.60 per share. The current annual dividend rate is \$1.00 per share.

Second, as previously mentioned, 19,600 shares of stock were issued and \$221,268 of cash was used to





Corrugated shipping containers made in various factories of the Company.

Left, corrugated containers illustrate the growing use of paperboard for shipping fruits and vegetables.

acquire the machinery, equipment, current assets, and business of the Traver Corporation, a growing company engaged in the manufacture and distribution of flexible packaging products. These include attractively printed packages and wrappings made from purchased cellophane, pliofilm, polyethylene, glassine, foil, and other materials. The Traver operations are located in three separate leased buildings in Chicago and are now known as the Traver Flexible

Packaging Division of Container Corporation of America. This acquisition marks the entrance of your Company into the fast-growing flexible packaging field, closely affiliated with the manufacture and distribution of the Company's other packaging products and in many cases supplying the same or similar customers.

Third, your Company invested \$650,000 during 1954 in its wholly owned subsidiary, Carton Inter-



nacional, S. A. This subsidiary invested \$1,403,000 to acquire a substantial interest in three Venezuelan companies manufacturing and selling paperboard products from two paper mills, two corrugated container factories, and one folding carton operation. Further comments regarding these properties are included in the paragraphs on Foreign Investments.

**PRODUCTION.** There follows a table giving the tons of pulp and paperboard produced by your Company's mills and tons of finished product shipped by mills and factories to customers for each of the last ten years:

	Tons Produced in Mills	Tons Finished Product Shipped
1945 .....	534,131	597,267
1946 .....	558,621	624,126
1947 .....	589,780	675,583
1948 .....	617,936	725,798
1949 .....	556,854	673,038
1950 .....	693,960	863,888
1951 .....	745,246	914,861
1952 .....	685,886	833,536
1953 .....	701,960	853,139
1954 .....	707,101	812,583



Top, types of display and carry-out folding cartons designed especially for the packaging of beverages. Bottom, some of the rather large and gaily colored folding cartons produced in the factories of the Company.



Corrugated shipping containers made in various factories of the Company.

Tons of finished product shipped in 1954 were greater than the tons produced in the Company's mills, because substantial quantities of paperboard were purchased from other producers.

The operating facilities of your Company remain in excellent condition. The aforementioned capital expenditures of \$8,713,319 as well as another \$10,106,010 spent for repair and maintenance, indicate the extent of improvements, additions, repair and maintenance. Many of your Company's properties set new high production records. Constant vigilance, applied research and laboratory control and

inspection contributed to further quality improvements. As industry conditions have become more competitive and as wage and salary increases have affected costs unfavorably, other cost savings had to be discovered and put into effect. Additional efforts will, of course, continue to be made in 1955.

**TIMBERLAND AND REFORESTATION.** In 1954 the acreage of timberlands under control by your Company was increased to 218,257 acres. These lands are located primarily in Florida with some in Georgia.

Again a substantial number of pine seedlings—

this time 4,500,000—were planted during the year, partly on lands owned by the Company and partly distributed to members of 4-H Clubs, Future Farmers of America, wood farmers, and others located in the areas suitably adjacent to the Fernandina kraft containerboard mill. This program of distributing and planting pine seedlings has been in effect uninterrupted since 1940. It is estimated that seedlings are ready for cutting into pulpwood within twenty years from date of planting.

The Pulpwood Department inaugurated a technical service this year which serves local land owners and counsels them in improving their tree farming programs through better tree protection and selective cutting.

The first of a series of pulpwood concentration yards was installed in Georgia with mechanized facilities for unloading trucks of pulpwood from producers directly to railroad cars for shipment to the Fernandina mill. This concentration yard provides a convenient and easily accessible unloading point for tree farmers and small land owners, which reduces handling costs and stimulates tree farming and pulpwood production.

## SALES

Consolidated sales for 1954 were \$186,595,052 compared with \$187,552,652 in the preceding year. The percentage of fabricated products to total sales appears in the table below:

Corrugated and solid fibre shipping containers . . . . .	\$ 95,288,307	51%
Folding cartons, fibre cans and flexible packages . . . . .	<u>63,631,321</u>	34
Total fabricated products . . . . .	\$158,919,628	85%
Paperboard, pulp and waste paper . . . . .	27,675,424	15
Total sales . . . . .	<u>\$186,595,052</u>	100%

The distribution of food products by supermarkets and self-service stores continues to increase. Attractive multi-colored designs on folding cartons and flexible packages are coming into increasingly greater demand. Prepared and pre-cooked frozen meals and specialties such as meat pies, pizza, fish sticks, and other products require various types of packaging; these are constantly growing in consumer

Solid fibre shipping containers.

acceptance with the advances made in food preparation. Home freezers and cold storage compartments are increasing substantially, as is the counter space allotted to frozen products in super-markets.

Additional progress was made in the development of shipping containers for the heavy appliance industry. One interesting example is the adoption by a major washing machine manufacturer of a corrugated container replacing wooden crates, which provides a cleaner and more attractive package. There is a continued demand for similar types of containers for cooking ranges, space heaters, air conditioning units, radios, and television sets.

The use of paperboard containers for fruits and vegetables is expanding. On the West Coast much of the citrus fruit and lettuce crop is now shipped in corrugated cases. In the Northwest a good share of the apple crop is being packed in paperboard containers. In the East the introduction of containers used for truck shipment of melons and other fresh produce began. In the Southwest new containers have been designed for handling tomatoes in standard shipping units.

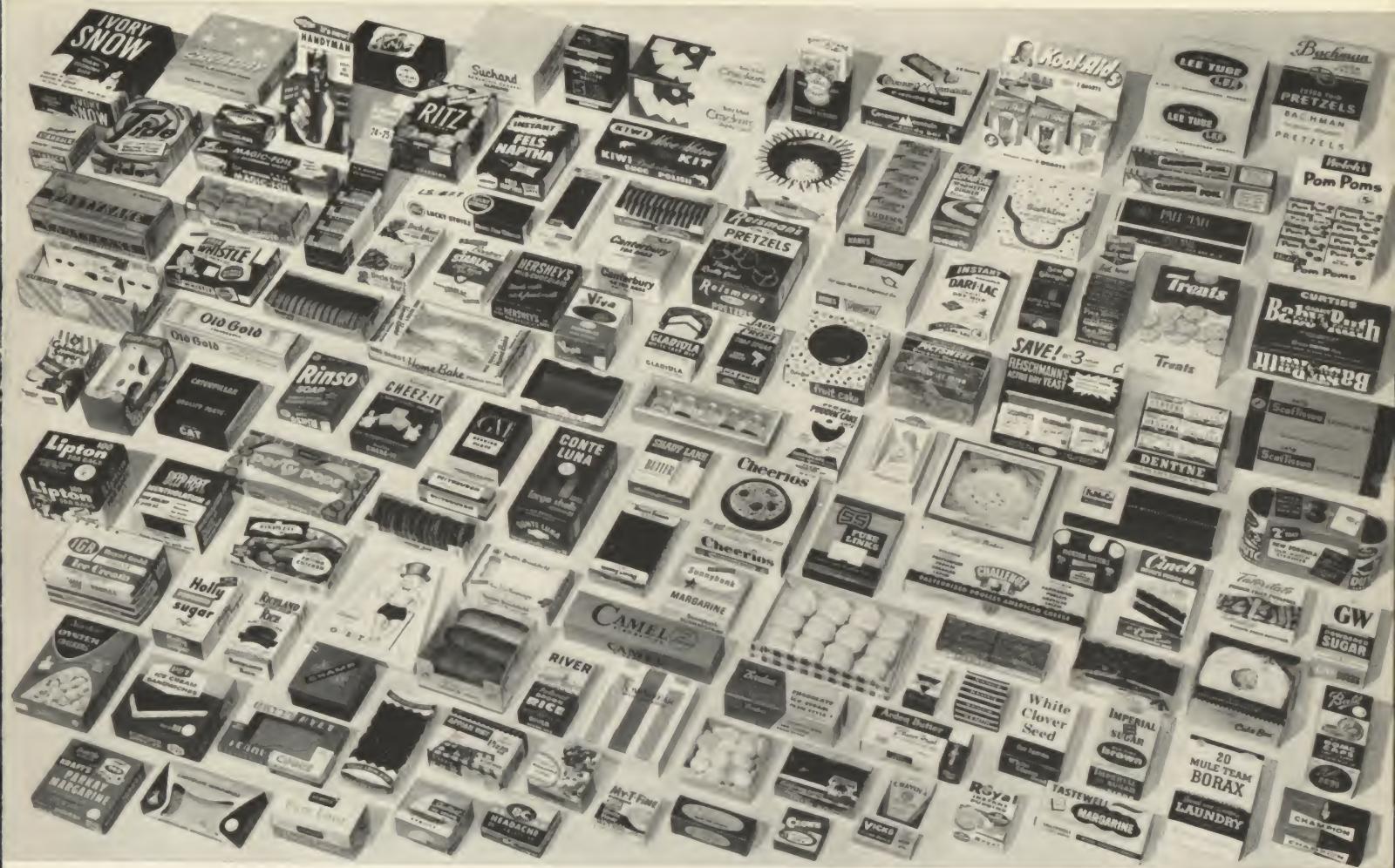
Many of the newer developments in both cartons and containers involve the use of labor saving methods and machines for forming, filling, and sealing; in this connection Container's Machinery Development Departments perform an important service to customers.

In 1954 your Company received fourteen awards in the national competition for the best designs in shipping containers and folding cartons.

The Sefton Fibre Can Company, a wholly owned subsidiary, developed an interesting package for one of the largest producers of refrigerated oven-ready biscuit dough. The package is a fibre can with a convenient string opening device.

Other Sefton specialty cans include a tamper-proof metal end fibre bodied can in which automotive





Colorful cartons and display packages from folding carton factories of the Company.

replacement parts are sealed, a leak-proof metal-end can sold in large volume for quick frozen fruits, and a unique fibre can container for applying calking compounds.

The newly acquired Traver Flexible Packaging Division, which manufactures various types of flexible packages, experienced an increased demand for printed vitafilm and polyethylene bags for packaging sheets, pillow cases, gloves, toys, and rubber products. Other types of film, such as glassine, pliofilm, and foil were also employed to produce bags, envelopes and pouches for use in the meat industry, confectionery products, and other food product fields. The fresh produce field, such as carrots, radishes, etc. continued to expand its consumption of polyethylene bags.

The Color Harmony Manual, a collection of color standards arranged according to the Ostwald System, was first published by the Company in 1942. More than 2,600 copies, now in use by about 2,000 companies and individuals, are serving the dual purpose of color selection and control during manufacture and inspection. Such standards as the color of French fried potatoes for the U. S. Army and the

many new shades of household refrigerators are selected from the chips of the Manual. Its broad use is attributed to the simple arrangement of the colors and their high degree of permanence.

## INDUSTRY CONDITIONS

The paperboard industry operated at 88% of capacity in 1954, and produced 12,300,000 tons, a decrease of 1.6% from the previous year, but the second best year in history. The unit shipments in the fibre and corrugated industry were 1.3% less and in the folding carton industry 1.5% more than in the previous year. Those, too, were the second best years in the history of each industry.

At the end of 1954 the capacity of the paperboard industry was estimated at 14,343,000 tons, which is below the estimate given in last year's annual report. Estimated capacity for the end of 1955 is 14,700,000 tons. This increase will result from normal operating improvement of existing machines, new capacity to be completed during the year, and projected new construction.



Above, typical paperboard packages with metal ends produced by Sefton Fibre Can Company. Below, representative transparent, flexible packages and partitions from the factories of the Traver Flexible Packaging Division.



## SUBSIDIARY AND ASSOCIATED COMPANIES

The Consolidated Balance Sheet and Statement of Income include the following wholly owned subsidiaries:

O. B. Andrews Company  
California Container Corporation  
Pioneer Paper Stock Company  
Sefton Fibre Can Company

Not included in the balance sheet or statement of income are the figures of The Mengel Company or of the Latin American associates.

**FOREIGN INVESTMENTS.** Your Company's proportionate part of profits earned in Latin American associates during the year amounted to approximately \$650,000. Some dividends have been received by the wholly owned Panamanian subsidiary, Carton Internacional, S. A., from its investments in two Mexican affiliates.

The three Venezuelan investments were only made during the year, and while there was a combined profit, no dividends were paid nor will there be any until an adequate earned surplus has been built up.

Carton de Colombia, S. A. had its best year. The directors of that company have just recently put the stock on a dividend paying basis, which if maintained through the year of 1955 will provide wholly owned Carton Internacional with a \$240,000 dividend. While this is a substantial dividend, it must be remembered that this company, incorporated on May 4, 1944, had its first full year of operations in 1948, or seven years ago. Barring unforeseen and unfavorable changes in economic conditions in Colombia, Carton de Colombia should now be in a position to make regular dividend payments in future years.

## EMPLOYEE RELATIONS

At the year-end 12,286 men and women were in the employ of your Company.

Labor agreements were renewed during the year consistent with industry and area practices with 78 local unions affiliated with 15 international unions.

There were no strikes during the year, except for a minor one at Sioux City.

**SAFETY.** Ten plants operated throughout the year without a lost-time accident. The over-all safety performance of the Company improved with regard to both frequency and severity of accidents.

The Boston folding carton factory received the Liberty Mutual award for operating in excess of 1,000,000 man hours without a lost-time accident, and the Philadelphia folding carton plant has further improved its world record of 1,856,000 accident-free man hours by working an additional 481,433 man hours without a lost-time accident.

**RETIREMENT ANNUITY PLAN.** At the end of the year, participation in your Company's retirement annuity plan in effect since January 1, 1941 was 89% of those employees eligible. Combined employee and Company contributions for the year 1954 aggregated \$3,006,543; of this amount the employees contributed \$1,202,617 and the Company \$1,803,926. Contributions by and on account of executive officers were 1.8% while 98.2% was contributed by and on account of all other employees. Since the retirement annuity plan has been in effect, 297 employees have received annuities thereunder, and as of the end of the year, 249 employees were currently receiving annuity payments.

**MANAGEMENT PROFIT SHARING PLAN.** Under this plan, approved at the Annual Shareholders' meeting in 1940, a total of \$3,672,102 could have been paid for the year 1954. However, the non-participating Directors responsible for the final determination of payments under the plan concluded that the amount to be distributed should be limited to \$480,400 compared with \$448,633 for the previous year. Distributions authorized were as follows: 17.7% to the Chairman of the Board, 9.4% to the President, 8.3% to the Executive Vice President, 30.3% to the nine Vice Presidents, and 34.3% to other salaried employees, including the Secretary and the Treasurer.

**CARRIER COMMON STOCK BONUS PLAN.** Company contributions to the Common Stock Plan in 1954 amounted to \$935,479. There were at the end of the year 1,231 employee members. The Fund owned 63,334 shares or 2.5% of the total outstanding common stock of the Company.

## GENERAL

**THE CONCORA FOUNDATION.** The Foundation was established in August of 1951 as a non-profit corporation to aid national and civic, educational and other eleemosynary institutions. At the end of the year the Foundation had total assets of \$1,855,000. This represents the accumulated funds put into the Foundation by Container Corporation as approved by its Board of Directors after deduction of the charitable grants made since the inception of the Foundation. During 1954 the grants made were divided as follows: 50% to national and civic, 41% to educational, and 9% to all other eleemosynary institutions.

*The Annual Meeting of the shareholders will be held on Wednesday, April 13, 1955. A notice of the meeting, together with a form of proxy and a proxy statement, will be mailed to shareholders on or about March 14, 1955, at which time proxies will be requested by the management.*

## ORGANIZATION

Several important promotions were made during the forepart of the year. Donald H. Brewer was elected Senior Vice President in charge of the parent Company's containerboard mills and corrugated and solid fibre shipping container factories. Leo H. Schoenhofen was elected Senior Vice President in charge of the parent Company's boxboard mills, folding carton factories, Pioneer Paper Stock Company, and the newly acquired Traver Flexible Packaging Division. Carl M. Blumenschein, Controller, was elected Vice President and Controller. Laurence A. Combs, head of the Company's industrial relations, was made a Vice President. Balfour Phelan was made Vice President in charge of the middle western boxboard mills and folding carton operations. Frederick S. Crysler was elected Vice President in charge of the eastern boxboard mills and folding carton factories. John D. Spence, a Vice President since January 1, 1949, voluntarily resigned.

Many other changes of responsibilities and promotions took place, all with the objective of decentralization in the field and greater responsibilities and opportunities for young, able members of the organization. Quite naturally, the morale of the organization has never been higher, because the large number who receive promotions and more important responsibilities are determined to prove their ability to handle expanded duties; all members of the organization were made more conscious of the opportunities in a vital and growing company.

On April 14, 1954, Mr. Gaylord A. Freeman, Jr. was elected a Director of your Company. Mr. Freeman was born in Chicago in 1910, graduated from Dartmouth in 1931, and received his law degree at Harvard. He was an attorney for the First National Bank of Chicago for ten years and since 1950 has been a Vice President of that bank. His broad, diversified experience in law and banking qualifies him well for directorate responsibilities.

Again it is a pleasure, on behalf of the Board of Directors, to express sincere appreciation to all the men and women in the factories and in the offices for their conscientious and effective cooperation during the past year.

Cordially,

  
Walter D. Saenger

Chairman of the Board

  
Wally L. Adin

President

# CONTAINER CORPORATION OF AMERICA

## COMPARATIVE BALANCE SHEETS—DECEMBER 31, 1954, AND DECEMBER 31, 1953

### ASSETS

CURRENT ASSETS:	1954	1953
Cash.....	\$ 9,028,557	\$ 6,977,535
U. S. Government securities, at cost, plus accrued interest.....	1,750,099	8,818,478
Accounts receivable, less reserves of \$511,363 in 1954 and \$401,153 in 1953	8,941,532	7,503,418
Inventories of finished goods, work in process, raw materials and supplies —priced at the lower of average cost or market.....	13,790,287	10,261,548
Total current assets.....	<u>\$33,510,475</u>	<u>\$33,560,979</u>
INVESTMENTS AND ADVANCES, at cost:		
Subsidiaries not consolidated (see note)—		
Investment in The Mengel Company.....	\$ 8,527,948	\$ —
Investments and advances to foreign subsidiary including cash of \$150,000 for future investments.....	3,100,000	2,450,000
Other.....	161,432	115,548
	<u>\$11,789,380</u>	<u>\$ 2,563,548</u>
CASH AND U. S. GOVERNMENT SECURITIES SET ASIDE FOR ADDITIONS AND IMPROVEMENTS.....	<u>\$ 1,318,239</u>	<u>\$ 5,514,683</u>
PLANT AND EQUIPMENT, stated at amounts (based in part on appraisals) recorded at dates of acquisition of properties (including properties ac- quired for capital stock), plus subsequent additions at cost:		
	Gross	Reserves
Land.....	\$ 5,636,888	\$ —
Buildings.....	18,292,412	7,057,739
Machinery, equipment, etc.....	59,510,972	29,739,114
Leasehold and leasehold improvements.....	7,834,279	5,384,417
	<u>\$91,274,551</u>	<u>\$42,181,270</u>
PREPAID AND DEFERRED CHARGES.....	<u>\$ 2,621,104</u>	<u>\$ 1,880,217</u>
GOODWILL AND PATENTS.....	<u>\$ 1</u>	<u>\$ 1</u>
	<u>\$98,332,480</u>	<u>\$87,440,403</u>

### LIABILITIES

CURRENT LIABILITIES:	1954	1953
Accounts payable.....	\$ 2,389,886	\$ 1,350,227
Accrued liabilities—		
Salaries, wages, vacation and compensation provisions.....	4,705,297	2,676,101
Taxes, other than Federal taxes on income.....	1,217,336	1,210,620
Dividends payable on preferred stock.....	87,422	88,690
Sinking fund payable on preferred stock.....	550,333	374,535
Provision for Federal taxes on income; \$16,935,190 in 1954 and \$21,086,718 in 1953 less an equivalent amount of United States Government securities each year.....	—	—
Total current liabilities.....	<u>\$ 8,950,274</u>	<u>\$ 5,700,173</u>
CAPITAL:		
4% cumulative preferred stock, \$100 par value; authorized and issued 100,000 shares, less 12,000 shares retired by sinking fund at December 31, 1954.....	\$ 8,800,000	\$ 9,100,000
Common stock, \$10 par value; authorized 3,000,000, issued 2,495,785 in 1954 and 1,980,948 in 1953.....	24,957,850	19,809,480
Shareholders' investment in excess of par value (paid-in surplus), per accompanying statement.....	18,409,927	3,829,851
Earnings retained for requirements of the business (earned surplus), per accompanying statement.....	37,822,562	49,606,434
Deduct—Par value of 578 shares of 4% cumulative preferred stock held in treasury and provision of \$550,333 for sinking fund on preferred stock at December 31, 1954.....	<u>\$89,990,339</u>	<u>\$82,345,765</u>
608,133	605,535	
<u>\$89,382,206</u>	<u>\$81,740,230</u>	
<u>\$98,332,480</u>	<u>\$87,440,403</u>	

NOTE: In 1954, a majority interest in the common stock of The Mengel Company was acquired at an aggregate cost approximating quoted market value at December 31, 1954. Other domestic subsidiaries, consistent with the previous year, are included in the consolidated statements for 1954. Equity in net assets at December 31, 1954, and in undistributed profits for 1954 of the foreign subsidiary, including its equity in associated foreign companies, was approximately \$4,800,000 and \$650,000, respectively.

# AND SUBSIDIARIES CONSOLIDATED

## COMPARATIVE STATEMENTS OF INCOME FOR THE YEARS ENDED DECEMBER 31, 1954 AND 1953

	1954	1953
NET SALES.....	\$186,595,052	\$187,552,652
COST OF SALES.....	145,808,593	147,939,847
Gross income from operations.....	\$ 40,786,459	\$ 39,612,805
SELLING, ADMINISTRATIVE AND GENERAL EXPENSES.....	12,919,120	12,252,693
Income from operations (after depreciation and depletion provision of \$4,109,753 in 1954 and \$3,930,557 in 1953).....	\$ 27,867,339	\$ 27,360,112
OTHER INCOME, net.....	1,136,893	812,836
Balance before taxes on income.....	\$ 29,004,232	\$ 28,172,948
PROVISION FOR FEDERAL TAXES ON INCOME:		
Normal and surtax.....	\$ 15,400,000	\$ 14,715,000
Excess profits tax.....	—	3,330,000
Net income for year.....	\$ 15,400,000	\$ 18,045,000
	<u>\$ 13,604,232</u>	<u>\$ 10,127,948</u>

## STATEMENT OF SHAREHOLDERS' INVESTMENT IN EXCESS OF PAR VALUE FOR THE YEAR ENDED DECEMBER 31, 1954 (PAID-IN SURPLUS)

BALANCE DECEMBER 31, 1953.....	\$ 3,829,851
ADD:	
Excess of fair value over par value of 495,237 shares of common stock distributed as a 25% dividend on common stock.....	13,866,636
Excess of fair value of assets acquired in purchase from Traver Corporation over the par value of 19,600 shares of common stock issued therefor.....	713,440
BALANCE DECEMBER 31, 1954.....	<u>\$18,409,927</u>

## STATEMENT OF EARNINGS RETAINED FOR REQUIREMENTS OF THE BUSINESS FOR THE YEAR ENDED DECEMBER 31, 1954 (EARNED SURPLUS)

BALANCE DECEMBER 31, 1953.....	\$49,606,434
NET INCOME FOR THE YEAR.....	<u>13,604,232</u>
DIVIDENDS:	
25% common stock dividend (495,237 shares) paid May 27, 1954, to common stockholders, recorded at fair value of \$38 per share.....	\$63,210,666
Cash dividends—	
Preferred stock (\$4.00 per share).....	\$18,819,006
Common stock (\$2.50 per share, adjusted for 25% stock dividend).....	349,235
	6,219,863
	<u>\$25,388,104</u>
BALANCE DECEMBER 31, 1954.....	<u>\$37,822,562</u>

ARTHUR ANDERSEN & CO.

120 SOUTH LA SALLE STREET - CHICAGO 3

To the Shareholders of Container Corporation of America:

We have examined the balance sheet of CONTAINER CORPORATION OF AMERICA (a Delaware corporation) and subsidiaries consolidated as of December 31, 1954, and the related statements of income, shareholders' investment in excess of par value and earnings retained for requirements of the business for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We made a similar examination for the year ended December 31, 1953.

In our opinion, the accompanying balance sheet and statements of income, shareholders' investment in excess of par value and earnings retained for requirements of the business present fairly the financial position of Container Corporation of America and subsidiaries consolidated as of December 31, 1954, and the results of their operations for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Chicago, Illinois, February 4, 1955.

ARTHUR ANDERSEN & CO.

## RAW MATERIALS

## PROCESSING

## MILLS



PULP WOOD FROM THE FORESTS



FERNANDINA

WASTE PAPER FROM THE CITIES



ATLANTA

BALTIMORE

CHICAGO

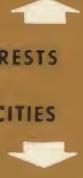
DETROIT

KALAMAZOO

PHILADELPHIA



STRAW FROM THE FARMS



PULP AND PAPERSTOCK



CHATTANOOGA

CHICAGO-OGDEN

CHICAGO-LAKE SHORE

CINCINNATI

FERNANDINA

LOS ANGELES

PHILADELPHIA

TACOMA

WABASH

WILMINGTON

CARTHAGE

CIRCLEVILLE

NOBLESVILLE

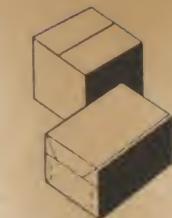
SOURCES AND FLOW OF PRIMARY MATERIALS THROUGH MILLS

## FACTORIES \*

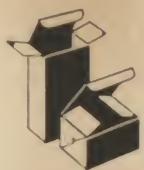
## PRODUCTS

## USES

## PAPERBOARD



CORRUGATED AND SOLID FIBRE CONTAINERS



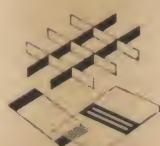
FOLDING CARTONS



FIBRE CANS



FROZEN FOOD PACKAGES



FLEXIBLE PACKAGING AND PARTITIONS

Ammunition	Household Goods
Automotive Parts	Linens and Towels
Bakery Goods	Liquor and Wine
Beer	Machines and Parts
Boots and Shoes	Matches
Building Materials	Meat Products
Canned Foods	Paint and Varnish
Caps and Closures	Paper Products
Cereal Products	Personal Accessories
Chemicals	Petroleum Products
China & Pottery	Pharmaceuticals
Clothing	Publishers, Printers
Coffee, Tea, Cocoa	Radio Products
Confectionery	Rubber Goods
Cosmetics	Soaps and Cleansers
Dairy Products	Soft Drinks
Dehydrated Foods	Spices
Explosives	Sporting Goods
Electrical Products	Sugar and Salt
Frozen Foods	Textiles
Fruits and Vegetables	Tobacco Products
Furniture	Tools
Glass Products	Toys and Games
Hardware	Vegetable Products

## AND FACTORIES OF CONTAINER CORPORATION OF AMERICA

\* The number of chimneys on the factory symbols indicates the products manufactured in them:

I—fibre cans  
II—folding cartons

III—shipping containers  
IV—folding cartons and shipping containers

V—shipping containers and fibre cans

VI—flexible packaging from purchased raw materials, and paperboard partitions. (3 factories)

**CONTAINER CORPORATION OF AMERICA AND  
YEAR-END BALANCE SHEETS FOR TWELVE YEAR PERIOD ENDED  
ASSETS**

	1954	1953	1952	1951	1950
Cash and U. S. Government securities.....	\$10,778,656	\$15,796,013	\$15,200,591	\$10,268,094	\$ 7,456,055
Accounts and notes receivable.....	8,941,532	7,503,418	8,619,054	8,559,391	9,733,435
Inventories.....	<u>13,790,287</u>	<u>10,261,548</u>	<u>12,100,069</u>	<u>11,688,373</u>	<u>11,924,620</u>
Total current assets.....	<u>\$33,510,475</u>	<u>\$33,560,979</u>	<u>\$35,919,714</u>	<u>\$30,515,858</u>	<u>\$29,114,110</u>
Cash and U. S. Government securities set aside for additions and improvements.....	1,318,239	5,514,683	428,552	3,007,331	3,500,000
Postwar excess profits tax refund.....	—	—	—	—	—
Investments and other receivables.....	11,789,380	2,565,548	1,715,726	1,661,084	1,286,187
Land.....	5,636,888	4,420,563	4,350,340	4,605,894	4,598,890
Buildings, machinery and equipment.....	85,637,663	77,883,526	74,917,962	69,663,809	63,186,670
Reserve for depreciation.....	<b>42,181,270</b>	<b>38,385,114</b>	<b>35,254,114</b>	<b>31,781,821</b>	<b>28,681,919</b>
Deferred charges.....	2,621,104	1,880,217	2,712,523	1,754,186	1,121,376
Goodwill and patents.....	I	I	I	I	I
	<u>\$98,332,480</u>	<u>\$87,440,403</u>	<u>\$84,790,704</u>	<u>\$79,426,342</u>	<u>\$74,125,315</u>

**LIABILITIES**

Accounts payable.....	\$ 2,389,886	\$ 1,350,227	\$ 2,016,989	\$ 1,580,387	\$ 3,060,885
Accrued wages, taxes, etc.....	5,922,633	3,886,721	4,625,161	4,144,682	3,038,213
Provision for Federal taxes on income.....	—*	—*	—*	—*	—*
Dividends payable.....	87,422	88,690	91,330	91,550	97,190
Sinking fund payments due within a year.....	550,333	374,535	337,995	55,825	323,785
Total current liabilities.....	<u>\$ 8,950,274</u>	<u>\$ 5,700,173</u>	<u>\$ 7,071,475</u>	<u>\$ 5,872,444</u>	<u>\$ 6,520,073</u>
Reserve for contingencies.....	—	—	—	—	—
Capital:					
Preferred stock.....	8,800,000	9,100,000	9,400,000	9,400,000	10,000,000
Common stock.....	24,957,850	19,809,480	19,809,480	19,809,480	19,809,480
Investment in excess of par value.....	18,409,927	3,829,851	3,829,851	3,829,851	3,829,851
Earnings reinvested.....	37,822,562	49,606,434	45,284,893	40,815,392	34,563,052
Sinking fund for retirement of preferred stock.....	<b>608,133</b>	<b>605,535</b>	<b>604,995</b>	<b>300,825</b>	<b>597,141</b>
	<u>\$98,332,480</u>	<u>\$87,440,403</u>	<u>\$84,790,704</u>	<u>\$79,426,342</u>	<u>\$74,125,315</u>
*Provision for Federal taxes on income..	\$16,935,190	\$21,086,718	\$22,435,957	\$27,090,251	\$12,585,392
Less U. S. Treasury Notes.....	16,935,190	21,086,718	22,435,957	27,090,251	12,585,392

Shareholders' investment.....	\$89,382,206	\$81,740,230	\$77,719,229	\$73,553,898	\$67,605,242
Investment per common share adjusted for 25% stock dividend in 1954.....	\$32.53	\$29.58	\$27.83	\$26.03	\$23.50
Working capital.....	<u>\$24,560,201</u>	<u>\$27,860,806</u>	<u>\$28,848,239</u>	<u>\$24,643,414</u>	<u>\$22,594,037</u>
Current ratio.....	3.74 to 1	5.89 to 1	5.08 to 1	5.20 to 1	4.47 to 1

*Note—Italics denote red figures.*

# SUBSIDIARIES CONSOLIDATED

DECEMBER 31, 1954

1949	1948	1947	1946	1945	1944	1943
\$13,085,746	\$ 9,758,037	\$ 7,281,531	\$ 6,050,656	\$ 5,612,054	\$ 2,977,153	\$ 1,946,896
4,709,071	4,918,005	6,180,152	5,115,371	3,081,785	2,809,884	2,913,481
7,334,972	8,630,364	9,270,857	6,136,154	4,529,376	3,737,137	3,481,416
<b>\$25,129,789</b>	<b>\$23,306,406</b>	<b>\$22,732,540</b>	<b>\$17,302,181</b>	<b>\$13,223,215</b>	<b>\$ 9,524,174</b>	<b>\$ 8,341,793</b>
4,000,000	4,350,000	6,000,000	4,000,000	—	—	—
—	—	—	—	—	1,720,834	1,010,834
1,031,307	1,273,932	1,317,990	1,596,964	1,324,789	864,472	76,143
4,127,968	4,050,794	3,827,846	3,717,904	3,549,668	3,551,231	3,569,681
57,704,750	52,725,650	45,853,731	34,758,138	29,122,070	27,867,623	26,972,366
<b>26,017,667</b>	<b>23,728,028</b>	<b>21,885,495</b>	<b>19,284,987</b>	<b>17,173,036</b>	<b>15,918,586</b>	<b>14,573,515</b>
1,036,349	1,188,846	786,845	803,285	482,755	508,991	446,918
1	1	1	1	1	1	1
<b>\$67,012,497</b>	<b>\$63,167,601</b>	<b>\$58,633,458</b>	<b>\$42,893,486</b>	<b>\$30,529,462</b>	<b>\$28,118,740</b>	<b>\$25,844,221</b>
 \$ 1,811,759	 \$ 1,910,061	 \$ 3,019,510	 \$ 2,037,779	 \$ 2,309,871	 \$ 1,462,096	 \$ 849,217
2,307,768	2,548,978	2,370,144	2,184,104	1,835,630	1,426,907	1,256,587
—*	—*	—*	—*	—*	—*	—*
98,050	98,900	100,000	—	—	—	—
106,575	—	—	—	—	—	—
<b>\$ 4,324,152</b>	<b>\$ 4,557,939</b>	<b>\$ 5,489,654</b>	<b>\$ 4,221,883</b>	<b>\$ 4,145,501</b>	<b>\$ 2,889,003</b>	<b>\$ 2,105,804</b>
955,190	1,110,522	1,110,522	2,000,000	1,400,000	1,100,000	500,000
10,000,000	10,000,000	10,000,000	—	—	—	—
19,809,480	19,809,480	19,809,480	19,809,480	15,625,060	15,625,060	15,625,060
3,829,851	3,829,851	3,829,851	3,829,851	671,494	671,494	671,494
28,384,753	23,962,511	18,393,951	13,032,272	8,687,407	7,833,183	6,941,863
<b>290,929</b>	<b>102,702</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>\$67,012,497</b>	<b>\$63,167,601</b>	<b>\$58,633,458</b>	<b>\$42,893,486</b>	<b>\$30,529,462</b>	<b>\$28,118,740</b>	<b>\$25,844,221</b>
<b>\$7,141,293</b>	<b>\$7,596,493</b>	<b>\$7,835,425</b>	<b>\$7,266,403</b>	<b>\$8,080,442</b>	<b>\$9,896,997</b>	<b>\$9,218,820</b>
<b>7,141,293</b>	<b>7,596,493</b>	<b>7,835,425</b>	<b>7,266,403</b>	<b>8,080,442</b>	<b>9,896,997</b>	<b>9,218,820</b>
 \$61,733,155	 \$57,499,140	 \$52,033,282	 \$36,671,603	 \$24,983,961	 \$24,129,737	 \$23,238,417
 \$21.02	 \$19.22	 \$16.98	 \$14.81	 \$12.79	 \$12.35	 \$11.90
\$20,805,637	\$18,748,467	\$17,242,886	\$13,080,298	\$ 9,077,714	\$ 6,635,171	\$ 6,235,989
5.81 to 1	5.11 to 1	4.14 to 1	4.10 to 1	3.19 to 1	3.30 to 1	3.96 to 1

**CONTAINER CORPORATION OF AMERICA AND**  
**INCOME STATEMENTS FOR TWELVE YEAR PERIOD ENDED**

	1954	1953	1952	1951	1950
Sales.....	\$186,595,052	\$187,552,652	\$178,408,152	\$212,562,019	\$154,841,198
Cost of Sales.....	141,766,059	144,082,976	133,704,577	161,894,529	120,920,688
Gross earnings.....	\$ 44,828,993	\$ 43,469,676	\$ 44,703,575	\$ 50,667,490	\$ 33,920,510
Provision for depreciation.....	4,042,534	3,856,871	3,578,388	3,432,505	2,953,163
Gross earnings from operations.....	\$ 40,786,459	\$ 39,612,805	\$ 41,125,187	\$ 47,234,985	\$ 30,967,347
Selling, administrative, and general expenses.....	12,919,120	12,252,693	11,632,175	10,901,566	8,922,520
Earnings from operations.....	\$ 27,867,339	\$ 27,360,112	\$ 29,493,012	\$ 36,333,419	\$ 22,044,827
Other income and <i>deductions</i> , net .....	1,136,893	812,836	889,936	782,578	651,799
Earnings before Federal taxes on income.....	\$ 29,004,232	\$ 28,172,948	\$ 30,382,948	\$ 37,115,997	\$ 22,696,626
Provision for Federal taxes on income.....	15,400,000	18,045,000	20,100,000	25,050,000	10,680,000
Net earnings for the year.....	\$ 13,604,232	\$ 10,127,948	\$ 10,282,948	\$ 12,065,997	\$ 12,016,626
Provisions for contingencies reserve.....	—	—	—	—	—
Balance to earnings reinvested.....	\$ 13,604,232	\$ 10,127,948	\$ 10,282,948	\$ 12,065,997	\$ 12,016,626
Earnings per share:					
Preferred stock.....	\$155.62	\$114.19	\$112.59	\$131.80	\$123.64
Common stock—adjusted for 25% stock dividend in 1954.	\$ 5.31	\$ 3.94	\$ 4.01	\$ 4.73	\$ 4.70

**RECORD OF DIVIDENDS FOR TWELVE YEAR PERIOD ENDED**

Dividends:					
Preferred stock.....	\$ 349,235	\$ 358,800	\$ 365,840	\$ 366,050	\$ 390,720
Common stock.....	6,219,863	5,447,607	5,447,607	5,447,607	5,447,607
Total dividends.....	\$ 6,569,098	\$ 5,806,407	\$ 5,813,447	\$ 5,813,657	\$ 5,838,327
Dividends per share:					
Preferred stock.....	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
Common stock—adjusted for 25% stock dividend in 1954...	\$ 2.50	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20

# S U B S I D I A R I E S C O N S O L I D A T E D

D E C E M B E R 31, 1954

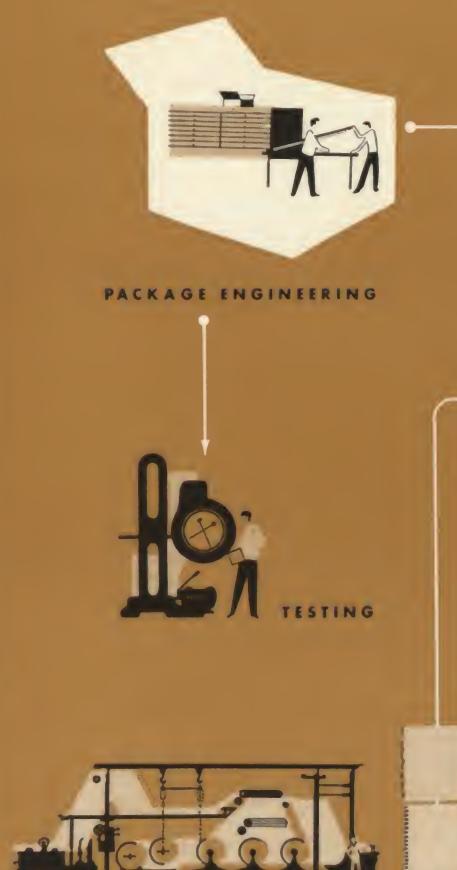
1949	1948	1947	1946	1945	1944	1943	Total
\$114,770,627	\$131,056,327	\$128,345,675	\$91,090,286	\$74,138,191	\$69,641,096	\$61,163,685	\$1,590,164,960
89,826,767	104,282,979	102,475,747	71,246,408	59,589,990	53,830,458	46,206,565	1,229,827,743
\$ 24,943,860	\$ 26,773,348	\$ 25,869,928	\$19,843,878	\$14,548,201	\$15,810,638	\$14,957,120	\$ 360,337,217
2,650,180	2,433,370	1,715,774	1,493,346	1,435,464	1,481,306	1,421,460	30,494,361
\$ 22,293,680	\$ 24,339,978	\$ 24,154,154	\$18,350,532	\$13,112,737	\$14,329,332	\$13,535,660	\$ 329,842,856
7,936,829	7,585,901	6,872,580	5,317,302	4,496,451	4,025,746	3,412,501	96,275,384
\$ 14,356,851	\$ 16,754,077	\$ 17,281,574	\$13,033,230	\$ 8,616,286	\$10,303,586	\$10,123,159	\$ 233,567,472
395,477	236,516	<b>307,971</b>	102,331	399,817	209,613	260,895	5,570,720
\$ 14,752,328	\$ 16,990,593	\$ 16,973,603	\$13,135,561	\$ 9,016,103	\$10,513,199	\$10,384,054	\$ 239,138,192
5,975,000	6,566,000	6,700,000	5,370,000	6,690,000	7,850,000	7,700,000	136,126,000
\$ 8,777,328	\$ 10,424,593	\$ 10,273,603	\$ 7,165,561	\$ 2,026,103	\$ 2,063,199	\$ 2,184,054	\$ 101,012,192
—	—	—	600,000	300,000	600,000	500,000	2,000,000
\$ 8,777,328	\$ 10,424,593	\$ 10,273,603	\$ 7,165,561	\$ 2,026,103	\$ 2,063,199	\$ 2,184,054	\$ 101,012,192
\$ 89.52	\$105.41	\$102.74	—	—	—	—	—
\$ 3.38	\$ 4.05	\$ 4.04	\$ 2.90	\$ 1.04	\$ 1.06	\$ 1.12	

D E C E M B E R 31, 1954

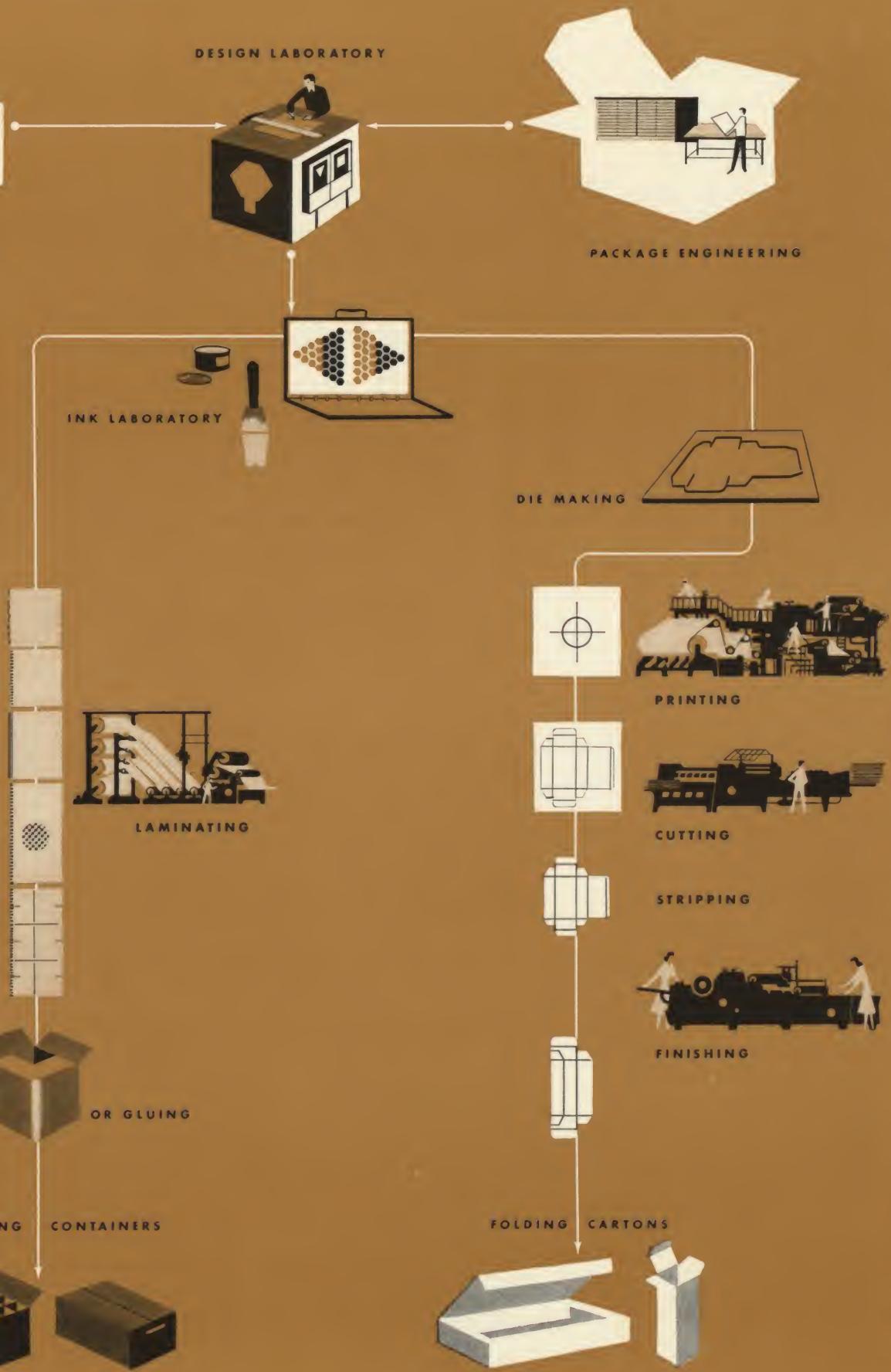
\$ 393,190	\$ 398,900	\$ 344,000	\$ 4,664*	—	—	—	\$ 2,971,399
3,961,896	4,457,133	4,457,133	3,218,247	\$ 1,171,879	\$ 1,171,879	\$ 1,171,879	47,620,337
<u>\$ 4,355,086</u>	<u>\$ 4,856,033</u>	<u>\$ 4,801,133</u>	<u>\$ 3,222,911</u>	<u>\$ 1,171,879</u>	<u>\$ 1,171,879</u>	<u>\$ 1,171,879</u>	<u>\$ 50,591,736</u>
\$ 4.00	\$ 4.00	\$ 3.44	—	—	—	—	
\$ 1.60	\$ 1.80	\$ 1.80	\$ 1.36	\$ .60	\$ .60	\$ .60	

\*Paid on preferred stock issues of subsidiary companies. Such issues were retired in 1946.

## MAKING SHIPPING CONTAINERS



## MAKING FOLDING CARTONS





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